

GEN-16-01

January 29, 2016

Subject:

2016-2017 Federal Pell Grant Payment and Disbursement Schedules

Summary:

The attachments to this letter contain the 2016-2017 Award Year Federal Pell

Grant Program Payment and Disbursement Schedules.

Dear Colleague:

Attached to this letter are both PDF and Excel versions of the Payment and Disbursement Schedules for determining Federal Pell Grant awards for the 2016-2017 Award Year (July 1, 2016 through June 30, 2017) for full-time, three-quarter-time, half-time, and less-than-half-time students. We are continuing our practice of presenting the PDF version in two parts for each of the schedules. All 2016-2017 Federal Pell Grant awards must be based on the attached schedules.

Note that because of a recent statutory change related to eligible career pathway programs, separate Federal Pell Grant disbursement schedules for students without a high school diploma or its recognized equivalent enrolled in such programs are no longer needed.

The Student Aid and Fiscal Responsibility Act (SAFRA), incorporated as part of Public Law 111-152, provides for an automatic annual increase to the appropriated Federal Pell Grant maximum award that is based on changes in the Consumer Price Index. This results in a 2016-2017 maximum Pell Grant award amount of \$5,815 which is an increase of \$40 from the \$5,775 maximum Pell Grant award for the 2015-2016 Award Year. The 2016-2017 Award Year maximum Pell Grant eligible expected family contribution (EFC) is 5234.

Section 401(b)(4) of the Higher Education Act (HEA) establishes the minimum Pell Grant award to be ten percent of the maximum award amount for the award year. Thus, for the 2016-2017 Award Year, the statutory minimum Pell Grant scheduled award amount is \$582. However, because we use mid-points in both the EFC columns and the cost of attendance (COA) rows in constructing the schedules, the actual 2016-2017 Award Year minimum scheduled award amount is \$590.

As a reminder, when using the attached schedules for awarding a Federal Pell Grant the full nine-month EFC must always be used regardless of the student's actual period of attendance. Also, the Title IV cost of attendance (COA) to be used is always based on the costs for a full-time student for a full academic year, regardless of the actual enrollment status or actual time the student will be enrolled during the award year. It is also important to note that the statutory restrictions of using only certain components in constructing a student's COA in some circumstances still apply.



For example, for a less-than-half-time student, the COA includes only cost components for tuition and fees, books, supplies, transportation, room and board for a limited time period, and dependent care expenses. For more information on these COA restrictions please refer to Volume 3, Chapter 2, of the Federal Student Aid Handbook.

Also, note that a student's eligibility to receive a Federal Pell Grant award may be limited by the statutory provision in section 401(c)(5) of the HEA that sets a lifetime Pell Grant eligibility limit of 12 semesters, or equivalent. Institutions should review previously posted information on Pell Grant eligibility determinations and the Lifetime Eligibility Used (LEU) limit posted on our Information for Financial Aid Professionals (IFAP) Website. For additional information on the LEU limitation see Dear Colleague Letter GEN-13-14 and Volume 3, Chapter 3 of the Federal Student Aid Handbook.

In future electronic announcements we will provide institutions with important information about system, Web, and software modifications that will reflect the 2016-2017 Pell Grant Payment and Disbursement schedules. These include changes to the Central Processing System (CPS), the ISIR Analysis Tool, the Common Origination and Disbursement (COD) System, and the EDExpress for Windows software.

We appreciate your continued support in making Federal Pell Grant Program assistance available to students. If you have any questions regarding the 2016-2017 Federal Pell Grant Payment and Disbursement Schedules, please contact our Research and Customer Care Center (Care Center) staff. Staff members are available Monday through Friday between the hours of 9:00 AM and 5:00 PM (Eastern Time) at 1-800-433-7327. After hours calls will be accepted by an automated voice response system. Callers leaving their names and phone numbers will receive a return call within two business days. Alternatively, you may e-mail the Care Center at fsa.customer.support@ed.gov.

Sincerely,

Jeff Baker, Director

Policy Liaison and Implementation

Attachments: PDF and EXCEL versions of the 2016-2017 Federal Pell Grant Payment and Disbursement Schedules